GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:426
ANSWERED ON:22.08.2003
OVERCHARGING BY STAR HOTELS
AVTAR SINGH BHADANA;PRAVEEN RASHTRAPAL

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Star category hotels and other fast food joints are overcharging the customers as against the Consumer Affairs Packaged Commodities Rules, 1997 on various items like cold drinks and drinking water;

(b) if so, the details thereof;

(c) whether according to the above rules, all the items at the hotels are sold at printed Maximum Retail Prices (MRPs);

(d) if so, the details thereof; and

(e) if not, the corrective steps taken/proposed to be taken in this regard?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV)

(a) to (e): A statement is laid on the Table of the House.

STATEMENTREFERRED TO IN PARTS (a) TO (e) OF REPLYTO LOK SABHASTARREDQUESTIONNO. 426 FOR22/8/2003 REGARDING OVERCHARGING BY STAR HOTELS

(a) to (e): The Standards of Weights and Measures (Packaged Commodities) Rules 1977 require among other things, a declaration of retail sale price on the package or on a label affixed to the package in the form 'Maximum Retail Priceâ€¦. (Inclusive of all taxes)' (MRP).The said Rules are a price declaratory mechanism and not a price control mechanism. However selling of the package at a price higher than MRP is prohibited under the Rules and violation attracts penal provisions.

Cases of over charging in hotels and restaurants were detected by the Enforcement authorities in the States and Union Territories. Statement received from them indicates that 1468 case have been booked under the provisions of the Packaged Commodities Rules, 1977 for over charging of packaged commodities like cold drinks and drinking water in bottles, in hotels and food joints, including 7 booked against star hotels.